STATEMENT OF CHAIRWOMAN LAURA RICHARDSON (D-CA) as prepared

Subcommittee on Emergency Communications, Preparedness, and Response Committee on Homeland Security

"The Future of FEMA's Grant Programs Directorate"

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FEMA's Grant Programs Directorate (DPD) is now the Department's one-stop shop for administering more than \$4 billion annually in homeland security & emergency management grants.

GPD plays a vital role in helping our State and local partners build the capabilities necessary to prepare for, protect against, respond to, and recover from acts of terrorism and other disasters.

And that's why we are especially looking forward to hearing from GPD's new Assistant Administrator, Elizabeth Harman, about her priorities for the office.

Ms. Harman has inherited several significant management challenges at GPD, including high turnover and low morale. These challenges have been made more complex by Administrator Fugate's focus on empowering the FEMA regions.

I remain supportive of giving the Regions greater *operational* responsibility when responding to disasters. FEMA officials in the field are much-better equipped to respond to situations on the ground than officials parked in Washington.

But non-disaster grant management is a uniquely different function than disaster response.

It is not clear to me how handing control of the grants over to the Regions will improve FEMA's grant management functions.

GPD also must work with DHS components like the Coast Guard for port security grants. Adding FEMA Regions to the mix of actors threatens to overly-complicate critical infrastructure grant programs.

And finally, Congress created GPD, in part, to ensure that DHS was consistently applying its grant policies and rules. It will be very difficult for 10 FEMA regions to consistently interpret grant policies.

Accordingly, there is a central question that we hope Ms. Harman will address this morning: What problem is FEMA trying to solve by decentralizing grant management to the Regions?

Beyond the question of regionalization, we want to hear from all of the witnesses on their ideas for improving homeland security grant programs.

The Inspector General recently issued a report where he identified legislative, inter-agency, and State-level barriers that impede maximizing the value of DHS grants.

We'd like to understand how FEMA is addressing the IG's recommendations and learn more about what impediments this Subcommittee ought to consider.

One grant challenge that has recently seen renewed attention is the length of time it takes for grantees to spend their grant awards.

For example, almost 50 percent of fiscal year 2007 homeland security grant program funds have not been spent. That number jumps to 78 percent for port security grants.

That is an astonishing number when you consider the massive security needs at our nation's ports.

In my district in California, the Ports of Long Beach and Los Angeles handle 30% of all U.S. shipping imports.

The economic impact of a nuclear attack on Port of Long Beach could initially exceed \$1 trillion dollars; therefore, insuring we have the funds to put the necessary security in place is vital.

There are many reasons for these drawdown numbers, some of which GPD can control and others that simply reflect the time it takes state and locals to move through the grant lifecycle.

But the fact remains: When federal dollars are not being spent to fill critical security gaps, our communities remain vulnerable.

I'm very pleased to see Chief Patalano from my district in Long Beach here with us today to speak on these issues.

As Fire Chief, you know firsthand the importance of these grants and what they do for the City of Long Beach, so I look forward to your testimony.

I'd also like to welcome Ms. Tierney from Philadelphia, who I know brings a wealth of knowledge to emergency management.

I invite you both to tell us where the grant process can be improved and how we can cut through the red-tape, so that our first-responders have the resources they need.

In conclusion, the subcommittee's underlying goal this morning is to help FEMA improve the management of its grant programs. The Congress, FEMA and grantees all have a role to play in reaching this goal and I look forward to a productive dialogue with all the witnesses this morning.